

Preliminary Education Fund Outlook for FY2022
Emergency Board Meeting July 30, 2021

<i>(millions of dollars)</i>	FY2021 Actual	FY2022 Forecast
a Average Homestead Property Tax Rate	\$1.538	\$1.523
b Average Tax Rate on Household Income	2.50%	2.50%
c Uniform Non-Homestead Property Tax Rate	\$1.628	\$1.612
d Property Yield Per Equalized Pupil	\$10,998	\$11,317
e Income Yield Per Equalized Pupil	\$13,535	\$13,770
f Equalized Pupil Count	87,304	86,944
g Statewide Education Spending Growth	3.9%	1.3%
h Statewide Education Grand List Growth	2.7%	3.0%

Sources

1a Homestead Education Property Tax	633.7	649.3
1b Property Tax Credit	(171.5)	(183.0)
2 Non-Homestead Education Property Tax	735.2	747.7
3 Sales & Use Tax	507.6	538.6
4 Purchase & Use Tax (one-third of total)	44.7	46.5
5 Meals & Rooms Tax (one-quarter of total)	36.0	45.0
6 Lottery Transfer	32.5	31.2
7 Medicaid Transfer	7.4	10.0
8 Other Sources (Wind & Solar, LUCT, fund interest)	2.9	2.2
9 Total Sources	1,828.5	1,887.5

Appropriations

10 Education Payment	1,483.7	1,502.1
11 Special Education Aid	223.7	229.0
12 State-Placed Students	18.0	17.0
13 Transportation Aid	20.5	20.4
14 Technical Education Aid	14.8	15.5
15 Small School Support	8.2	8.1
16 Essential Early Education Aid	7.0	7.1
17 Flexible Pathways	8.3	8.3
18 Teachers' Pensions (normal cost only)	6.9	37.6
19 Other Uses (accounting & auditing, financial systems)	3.4	3.4
20 Total Uses	1,794.5	1,848.4

Allocation of Revenue Surplus/(Deficit)

21 Revenue Surplus/(Deficit)	34.0	39.1
22 Prior-Year Reversions	(14.0)	0.0
23 Transfer to/(from) Stabilization Reserve	5.2	1.1
24 Transfer to/(from) Additional Reserve	14.0	-
25 Transfer to/(from) Unreserved/Unallocated	28.7	38.0

Stabilization Reserve

26 Prior-Year Stabilization Reserve	33.0	38.2
27 Current-Year Stabilization Reserve	38.2	39.3
28 Percent of Prior-Year Net Appropriations	5.0%	5.0%
29 Reserve Target	38.2	39.3

Additional Reserve

30 Additional Reserve for Other Post Employment Benefits	14.0	14.0
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Available Funds

31 Prior-Year Unreserved/Unallocated	0.0	28.7
32 Current-Year Unreserved/Unallocated	28.7	66.7

Preliminary Education Fund Outlook for FY2022

(millions of dollars)	FY2021 Current law before closeout	FY2022		
		House as passed	Senate as passed	As passed House and Senate
a Average Homestead Property Tax Rate	\$1.538	\$1.523	\$1.538	\$1.523
b Average Tax Rate on Household Income	2.50%	2.50%	2.50%	2.50%
c Uniform Non-Homestead Property Tax Rate	\$1.628	\$1.612	\$1.628	\$1.612
d Property Yield Per Equalized Pupil	\$10,998	\$11,317	\$11,202	\$11,317
e Income Yield Per Equalized Pupil	\$13,535	\$13,770	\$13,770	\$13,770
f Equalized Pupil Count	87,304	86,944	86,944	86,944
g Statewide Education Spending Growth	3.9%	1.3%	1.3%	1.3%
h Statewide Education Grand List Growth	2.7%	3.0%	3.0%	3.0%

Sources

1a Homestead Education Property Tax	638.6	650.7	655.9	650.7
1b S.13 - Moratorium on Excess Spending	-	(1.4)	-	(1.4)
1c Property Tax Credit	(171.5)	(183.0)	(183.0)	(183.0)
2 Non-Homestead Education Property Tax	732.6	747.7	755.3	747.7
3a Sales & Use Tax	488.4	507.9	507.9	507.9
3b H.437 - Machinery & Equipment Exemption	-	(0.9)	-	-
3c H.436 - Menstrual Products Exemption	-	(0.7)	(0.7)	(0.7)
3d H.436 - Wood Pellets Exemption	-	(1.0)	(1.0)	(1.0)
4 Purchase & Use Tax -(one-third of total)	40.1	41.7	41.7	41.7
5 Meals & Rooms Tax (one-quarter of total)	31.6	41.6	41.6	41.6
6 Lottery Transfer	29.3	30.9	30.9	30.9
7 Medicaid Transfer	10.0	10.0	10.0	10.0
8 Other Sources (Wind & Solar, LUCT, fund interest)	2.3	2.2	2.2	2.2
9 Total Sources	1,801.5	1,845.8	1,860.9	1,846.7

Appropriations

10a Education Payment**	1,489.5	1,502.0	1,502.0	1,502.0
10b Repurposed CRF Reimbursement	(8.7)	-	-	-
11 Special Education Aid	223.7	229.0	229.0	229.0
12 State-Placed Students	18.0	17.0	17.0	17.0
13 Transportation Aid	20.5	20.5	20.5	20.5
14 Technical Education Aid	14.8	15.5	15.5	15.5
15 Small School Support	8.2	8.1	8.1	8.1
16 Essential Early Education Aid	7.0	7.1	7.1	7.1
17 Flexible Pathways	8.3	8.2	8.2	8.2
18a Teachers' Pensions (normal cost only)	6.9	37.6	37.6	37.6
18b H.439 - Other Post Employment Benefits (normal cost only)	-	-	13.8	-
19 S.100 - Universal School Breakfasts	-	-	8.0	-
20 Other Uses (accounting & auditing, financial systems)	3.4	3.4	3.4	3.4
21 Total Uses	1,791.6	1,848.3	1,870.1	1,848.3

Allocation of Revenue Surplus/(Deficit)

22 Revenue Surplus/(Deficit)	9.9	(2.6)	(9.3)	(1.7)
23 Prior-Year Reversions	(14.0)	-	-	-
24 Transfer to/(from) Stabilization Reserve	5.2	1.6	1.6	1.6
25 Transfer to/(from) Additional Reserve	-	-	-	14.0
26 Transfer to/(from) Unreserved/Unallocated	18.6	(4.2)	(10.9)	(17.3)

Stabilization Reserve

27 Prior-Year Stabilization Reserve	33.0	38.2	38.2	38.2
28 Current-Year Stabilization Reserve	38.2	39.8	39.8	39.8
29 Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%	5.0%
30 Reserve Target	38.2	39.8	39.8	39.8

Additional Reserve

31 H.439 - Additional Reserve for OPEB	-	-	-	14.0
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Available Funds

32 Prior-Year Unreserved/Unallocated	0.0	18.6	18.6	18.6
33 Current-Year Unreserved/Unallocated	18.6	14.4	7.7	1.3

** Based on school budgets submitted to the Agency of Education as of March 9, 2021.